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***Leading the Development of the
National Tourism Strategy
Final Report
December 2004***

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

This report is prepared by Matt McNulty, in collaboration with Chemonics International Inc., Prime Contractor to the U.S. Agency for International Development for the AMIR Programme in Jordan.

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Executive Summary

The October /November mission had the following objectives: -

- (1) To work with the Implementation Unit Director on the establishment of the monitoring actions and programme to monitor the National Tourism Strategy.
- (2) To tidy up any items required by AMIR arising from the tourism programme to date.

A strategic monitoring and implementation unit has been established to work with the Ministry. The Draft Action Plan was reviewed, extended and adjusted. Priorities and major benchmarks were identified.

Strategic Monitoring and Implementation Unit

A meeting was held with Fadia Hussein (Strategy Implementation Unit Director) to review the draft of the monitoring actions to be undertaken by the unit. Adjustments were made as necessary to reflect the comprehensive monitoring. The main change proposed was to confirm that the validity of retaining the four pillars as the core framework for the monitoring actions. Within the core frameworks a further group of key actions were identified as “major strategic benchmarks” because of their importance relatively to the others. These have been identified for priority treatment within the monitoring plan.

One of the challenging requirements of the monitoring unit will be to monitor the achievement of the performance targets and indicators. These are expressed in tangible terms of revenues and jobs and the information required by monitoring will lag by a considerable period. However it will be necessary for operational management and monitoring that other surrogate indicators can be used that will be more immediately available. A paper was written on this aspect to assist the monitoring unit. (Annex I).

The question of a definition for partnership mentioned in the strategy was raised and as a result a paper was also created to explain this and the principles and process involved. (Annex II).

The Monitoring Unit was contacted by Ms. Samar Hammad who is an interested party, working to organise the craft sector. A meeting was held with Ms. Hammad to explore co-operation. There is work to be done by Ms. Hammad and the Associations on their side before it would be appropriate to create a partnership. Ms. Hammad was written to subsequently (Annex III), and advised about the work to be undertaken. At the same time arrangements were made to include her and the craft associations in future meetings that would be appropriate.

A meeting was held with Dr. Joe Ruddy regarding the human resource pillar of the strategy. As a result some adjustments were made and Joe is to submit a more comprehensive input for consideration to tie in this important area.

Meetings

The following meetings were held during the mission: -

- Ibrahim Osta, AMIR
- Lina Omar, AMIR
- Rula Sousousa, AMIR
- Evon Warwar, AMIR
- US-AID and Conservation Group regarding NTS and Conservation of the National Heritage of Jordan.
- Fadia Hussein, Strategy Monitoring Unit
- Michel Nazzal, Acting MD of the JTB
- Asmaa H. Abu Ghazaleh, Project manager, JTB
- Dr. Joe Ruddy, HR expert consultant
- Ms Hammad, Craft sector

Annex I – Draft Proposal

Target Monitoring by Strategy Oversight and Co-ordination Unit

Target monitoring is the major economic benchmarking of the success of the strategy. It poses difficulties in all jurisdictions because of the slowness of the Government's collection system for informational and statistics. Yet it is vital. Many factors come into play – the collection system needs to be improved, the key survey questions need to be designed so that they separate visitors from transits, particularly drivers at the land borders, the statistics and information need to be networked and aggregated with greater speed and precision and a better (more reliable) basis for accuracy in term of revenue. Many bodies can potentially contribute to this, but it needs to be planned and co-ordinated comprehensively.

What the consultant is proposing is a two-step approach:

1. There is no escape from the need to have the full economic impact statistics and numbers. These will lag by 6 to 12 months. Therefore, Point 2 kicks in.
2. There needs to be a system of measuring provisional indicators that can be compared with previous years and used as management indicators to show the health/growth of the sector.

The following scheme is proposed for consideration:-

Full Economic Impact Measurement of Target Achievement

Output Indicator	Measurement	Variance from Target	Comment
Visitor expenditure in Jordan			
Contribution of tourism expenditure to balance of payments account			
Employment created and supported by tourism			
Taxation yield to Government from tourism			
Regional development			
Length of visitor stay			
Expenditure per visitor per day			

Input Indicator	Measurement	Variance against target	Comment
Government investment in MOTA			
MOTA investment in JTB - marketing			
Coalition for marketing investment			
Independent private sector investment in marketing			
Public Sector capital investment in tourism			
Private sector capital investment in tourism			
New business start ups in tourism			

Operational Measurement of Target Achievement

Indicator	Measurement	Comment
Visitor arrival numbers by air		
Visitor arrival numbers at land border		
Hotel occupancy rates		
Hotel rate per room		
Visitor numbers visiting heritage sites		
SME start ups in tourism sector		
Additional Air Access Capacity		
Telecoms use by out of state visitors		
Credit card expenditures charged by visitors		
Sales by selected suppliers that are used by tourists		

Indicator	Measurement	Comment
Visa Issue		
Enquiries serviced by the JTB and its agents		
Numbers of tour operators selling Jordan		
Occupancy rates on tour operator packages		

Annex II - Public – Private Sector Partnership

The reality of progressing development in the modern globalised and networked economy is that the private sector is indisputably the engine of growth. Only the private sector can produce the necessary competitiveness, sustainable employment and wealth to sustain national economies and societal advancement. This has re-defined the optimum relationship that should exist between the public and private sectors for the present and future.

Partnership is core to this relationship re-balancing and change, which recognises that current and future progress is best made through first achieving and then deepening co-operation between the two sectors. The private sector evolves in the partnership to be the preferential provider of public and private goods and services in the economy, and the public sector moves towards the position of facilitator, regulator and protector of the public interest. The partnership recognises that for virtually all activity the result can be enhanced and fast tracked through partnership co-operation.

Partnership does not normally occur naturally. It has to be learned and it has to overcome traditional mistrust between the sectors. It is based on a redistribution of power and responsibility, but its objectives concentrate on achieving results and objectives, rather than the holding and exercise of power. As partnership deepens and builds trust. It creates in effect “a power pool” that is controlled and exercised by the partnership, rather than by the sectors. The advanced stage of development is referred to as “a result driven partnership” – where the public and private sectors plan, agree, work and invest together to achieve the agreed objectives of the partnership.

To achieve all efforts of scale and most objectives requires the involvement of more than a single authority or entity. Partnerships are equally valid between the private sector itself, private – private partnerships or alliances and public-public partnerships between Ministries or public agencies. The objective of successful economies is to achieve a change of culture to one in which partnership becomes a state of mind, and the method of preference in achieving co-operative action and results.

All successful economies exhibit a high use of partnership and partnership principles. The regulatory environment and business context have been fine tuned and adjusted to support partnership working. Economies in which the public sector remains dominant are invariably low growth uncompetitive economies that are not coping successfully with employment creation, or the development of their human assets or the non natural resource elements of their economies.

Annex III

Dear Ms. Hammad,

It was good to meet with you and Fadia at MOTA. While the meeting was short due to the circumstances we did exchange sufficient information to stress the importance of the craft sector to visitor expenditures, tourism revenues and to local economies. Fadia will register your contact with the tourism interests so that you will be invited to any appropriate meetings involving the strategy or future tourism development where you can usefully participate.

It is necessary to get an outline plan in place, which will show the development of the craft sector parallel to tourism and in partnership with it. If you and the associations can begin developing some work on this, we can review it with you, and assist, where possible.

We understand the reasons that makes this sector difficult to organise for integrated working, but like all sectors there are convinced leaders and the success of this lead group will bring in others when they see the benefits more clearly.

Best wishes for the future,

Yours sincerely,

MATT MCNULTY